



MINUTES
Economic Development Authority
July 23, 2019

CALL TO ORDER

The Economic Development Authority meeting was called to order at 5:31 pm.

Present: Chair: Jahn Dyvik; Vice Chair: Lori Goodsell; Board: Tim Hultmann, Tom Skjaret, Deirdre Kvale, and Charlie Miner

Staff Present: City Administrator/Executive Director: Scott Weske; and City Clerk: Jeanette Moeller

Absent: Board: Michelle Jerde

PLEDGE OF ALLEGIANCE

APPROVE AGENDA

A motion was made by Skjaret, seconded by Miner, to approve the agenda. Ayes: all.

CONSENT AGENDA

- A. Approve Minutes of the June 18, 2019 EDA Meeting

A motion was made by Hultmann, seconded by Miner, to approve the minutes of the June 18, 2019 EDA meeting. Ayes: all.

OPEN CORRESPONDENCE

Mike Giebenhain, 1880 W Wayzata Boulevard – Mr. Giebenhain stated that he and Ryan Weber have been talking about the possibility of developing the City owned property at 1905 W Wayzata Boulevard for Mr. Giebenhain's dental practice. He asked what they would need to do in order to get the property locked up in order to put together some drawings. He stated that they don't want to spend money on drawings for the property before they have it locked in place. He stated that their idea is to build a multi-use three story building.

Board member Miner stated that most of tonight's agenda is intended to discuss that property and encouraged Mr. Giebenhain to stay for the meeting to hear the discussion. He stated that he thinks it is great that existing local business owners are interested in this property.

Chair Dyvik suggested that they plan to attend the next EDA meeting and bring some concept plans that won't cost much money or photo examples of what they would like to do.

The EDA discussed possible parking limitations for this parcel and ways that it may be addressed with street parking or nearby overflow parking options as well as some of the deed restrictions on the property.

Barb Rose, employee at Lakeside Family Dentistry, stated she would like to know more about the community survey survey, how it was distributed, and whether it was sent out more than one way.

Chair Dyvik stated that the survey is slated next on the agenda and noted that he would give Ms. Rose the chance to participate during that discussion.

BUSINESS ITEMS

Update on Status of Community Input Survey

Executive Director Weske gave a brief summary of how the survey questions were decided upon. He stated that the survey was released on Facebook as a general post, and the Survey Monkey link was distributed in the City newsletter that was sent out with the utility billing mailing. By including an article and the survey link in the newsletter accompanying utility bills, the survey was distributed to any business owner, landlord and resident who receives a utility bill. Thus far, the City has received 57 responses, of which 87% of the responses are from Long Lake residents, and 77% are female.

Chair Dyvik asked Executive Director Weske to refresh the EDA's memory about what the survey questions were.

Weske gave a brief overview of the survey questions. He stated that the top responses, so far, have said that respondents would like to see retail or a community building in the old BP location; and medium density commercial development for the Virginia Avenue location; however, he noted that it is still very early in the process.

Board member Kvale asked why one of the questions wasn't about having a community center on the Virginia Avenue property.

Weske stated that it was not something that had come up in the EDA's previous discussions so he did not include it.

Board member Kvale stated that she would like to see that option explored because it would make sense to have a community center located next to something that is already a community building.

Weske stated that there are so many variables that it is hard to address everything in one survey.

Board member Goodsell pointed out that residents already pay a large amount of property taxes for the community center/Orono Activity Center for Long Lake and Orono and she cannot imagine having to pay for another one.

Weske recalled that when the existing City Hall building was built, there was additional money available at that time to build something larger and expand the space to include community space, and it was not done.

Board member Kvale suggested that the City may want to send out separate information regarding how to access the survey. She stated that she is wondering if people did not take the time to read the information since it was mixed in with the newsletter text and not on a separate sheet of paper.

City Clerk Moeller explained the process for conducting a separate mailing with information on the survey and the time and expense of postage and labeling it would take to send them out.

Chair Dyvik suggested that the City could post a reminder on the Facebook page for people to fill out the survey as well as on the City's website. He stated that he does not want to see a lot of people, such as realtors, that live outside of the City filling out the survey and skewing the results.

Moeller stated that it also may be possible to ask the Laker Pioneer newspaper to publish something as well. She stated that the utility mailings only went out about a week ago, so it is still early in the process regarding responses.

Weske noted that he received 30 responses before the mailing was sent out, so only 27 responses have come in since the utility mailer.

Moeller noted that another factor may be that the utility bills are not due until August 16, 2019. She stated that she is willing to do another mailing, but would welcome volunteers because it is a very labor-intensive process.

Chair Dyvik stated that the responses being so low may be because people don't really care what happens in these two locations. He asked Ms. Rose if she had any questions about the discussion.

Ms. Rose stated that she did not have questions yet, but may come back to the next meeting when it is discussed further.

Summary of Demolition of City-Owned Property Located at 1905 Wayzata Boulevard W
- Review of Contractor/Consultant Overall Costs Incurred to Date for Project Work

Weske gave a brief summary of the status of the former BP station property and the expenses the City has undertaken. He reviewed the work that still needs to be done on site before bringing in Class 5 material.

- **Discuss Site/Soil Condition Information**
- **Discuss Recommendations and/or Estimates for Any Additional Site Cleanup Options**

Weske stated that he had asked Chris Loch from Carlson McCain to attend tonight's meeting and provide an overview of the site/soil conditions.

Mr. Loch stated that his firm had been on-site for the hydraulic lift removal. He stated that the good news was that the sample taken from the underground unregulated tank was clean. A report will be prepared confirming removal had been conducted correctly so the City will have it in their records. He reviewed the work that has been done with regard to field screening. He stated that there were two historical leaks found on the site that have been closed. He explained that in his professional opinion, everything that has been found on the site currently is residual from the two historical leaks documented. This has been reported to the MPCA and it will be up to them to decide if they will reopen the leak site. He stated that this is crucial because at this point, the City would be considered the voluntary responsible party at this point and any additional costs associated with investigation or assessment would be eligible for reimbursement up to 90% through a Petra fund. He stated that he cannot say what the MPCA will decide, but in his opinion the site won't need to be reopened. He stated that he knows the MPCA has been very busy and has had a lot of staff turnover, so the turnaround time for a determination is 60 days from June 26, 2019. He indicated he plans to talk to the duty officer and see if that timeline can be sped up a bit. He offered examples of different scenarios for site cleanup and noted that anything up to 2.5 feet would be the City's responsibility as a voluntary action. He gave a brief overview of the possibilities of working with a petroleum brownfield program. He stated that it is a very easy program to enroll in and will provide assurance letters for future buyers.

Chair Dyvik asked if taking out the 2.5 feet of soil would help and how much it would cost for the entire property.

Mr. Loch stated that he was not advocating that they take out the 2.5 feet of soil on the whole site, just the contaminated areas.

Weske stated that it would only be the area under where the dispensers were located and would cost approximately \$8,000.

Chair Dyvik asked what the cost would be if they chose to go the whole 9.5 feet.

Weske stated that was estimated to be about \$35,000.

Mr. Loch stated that removal generally costs between \$55 and \$66 per yard and includes landfill disposal, environmental, lab and backfill costs.

Weske reviewed some of the deed restrictions and what the contaminated area can be used for as part of future projects, such as a parking lot.

Chair Dyvik asked what Mr. Loch's recommendation is for the City.

Mr. Loch stated that depending on the plans for the site, he does not think there is going to be a lot of soil correction necessary and his recommendation is to take care of the top 2.5 feet of soil where the contamination is located.

Board member Kvale asked if he would recommend waiting until the MPCA report comes back.

Mr. Loch stated that if the City could hold off, it would be a good idea to see what they say.

Weske noted that Public Works Director Diercks has asked that Eureka Construction leave 15 loads of fill in place for the City to use at this site. He stated that if the City proceeds with cleaning up the 2.5 feet of contaminated soil area, the cost will still be within the 'not to exceed' amount the EDA had already approved.

Chair Dyvik asked for a ballpark figure of what the invoice will be from Carlson McCain for their services.

Weske stated that he thought it was close to \$1,700 at this point.

Mr. Loch stated that they will handle all the paperwork and reports which will make selling the property easier.

Weske stated that he was not looking for action tonight but wanted to keep the EDA informed about what is happening and the cost estimates.

OTHER BUSINESS

None.

ADJOURN

Chair Dyvik adjourned the meeting by general consent at 6:30 pm. Ayes: all.

Respectfully submitted,
Scott Weske, Executive Director